

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

FTX TRADING LTD., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 22-11068 (JTD)

(Jointly Administered)

Ref. Nos. 233, 487, 624, 751, 1211

**NOTICE OF (I) SUCCESSFUL BIDDER FOR THE LEDGERX BUSINESS AND  
(II) FILING OF THE LEDGERX BUSINESS PURCHASE AGREEMENT**

**PLEASE TAKE NOTICE** that on November 11 and November 14, 2022, FTX Trading Ltd. and its affiliated debtors and debtors-in-possession (collectively, the “Debtors”) filed voluntary petitions for relief under title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”) in the United States Bankruptcy Court for the District of Delaware (the “Court”).

**PLEASE TAKE FURTHER NOTICE** that on December 15, 2022, the Debtors filed the *Motion of Debtors for Entry of Orders (I)(A) Approving Bid Procedures, Stalking Horse Protections and the Form and Manner of Notices for the Sale of Certain Businesses, (B) Approving Assumption and Assignment Procedures and (C) Scheduling Auction(s) and Sale Hearing(s) and (II)(A) Approving the Sale(s) Free and Clear of Liens, Claims, Interests and Encumbrances and (B) Authorizing Assumption and Assignment of Executory Contracts and Unexpired Leases* [D.I. 233] (the “Motion”).

**PLEASE TAKE FURTHER NOTICE** that on January 12, 2023, the Court entered the *Order (A) Approving Bid Procedures, Stalking Horse Procedures and the Form and Manner of Notices for the Sale of Certain Businesses, (B) Approving Assumption and Assignment Procedures and (C) Scheduling Auction(s) and Sale Hearing(s)* [D.I. 487] (the “Bid Procedures Order”)<sup>2</sup>, approving, among other things, the bid procedures (the “Bid Procedures”) for the sale of the Businesses, including the LedgerX Business.

**PLEASE TAKE FURTHER NOTICE** that on February 21, 2023, the Debtors filed a *Notice of Filing of (I) Proposed LedgerX Business Sale Order and (II) Form of LedgerX*

---

<sup>1</sup> The last four digits of FTX Trading Ltd.’s and Alameda Research LLC’s tax identification number are 3288 and 4063 respectively. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://cases.ra.kroll.com/FTX>.

<sup>2</sup> All capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Bid Procedures Order.

*Business Purchase Agreement* [D.I. 751], which attached a proposed form of Sale Order and Interest Purchase Agreement for the LedgerX Business.

**PLEASE TAKE FURTHER NOTICE** that on March 31, 2023, the Debtors filed a *Notice of Auction for LedgerX Business* [D.I. 1211], which, among other things, provided notice to each of the two Qualified Bidders of an Auction to be held on April 4, 2023. In accordance with the Bid Procedures and after consultation with Consulting Professionals, the Debtors adjourned, without initiating, the Auction.

**PLEASE TAKE FURTHER NOTICE** that the Debtors and one of the Qualified Bidders determined shortly thereafter that they would be unable to reach a satisfactory transaction, this Qualified Bidder requested the return of its deposit and the Debtors disqualified this bidder as a Qualified Bidder and refunded the deposit.

**PLEASE TAKE FURTHER NOTICE** that, in accordance with the Bid Procedures, the Debtors, after further consultation with the Consulting Professionals, determined that M 7 Holdings, LLC (“M 7 Holdings”), a Delaware limited liability company, had made the highest or otherwise best bid for the LedgerX Business and determined to designate M 7 Holdings as the Successful Bidder for the LedgerX Business and to cancel the Auction.

**PLEASE TAKE FURTHER NOTICE** that on April 25, 2023, Debtor Ledger Holdings Inc. (“LHI”) entered into the Interest Purchase Agreement (the “Purchase Agreement”) with M 7 Holdings (referred to herein as the “Successful Bidder”) and, solely for the purposes set forth therein, Miami International Holdings, Inc. (“MIH”), for the sale of the LedgerX Business pursuant to section 363 of the Bankruptcy Code, subject to the terms and conditions therein. An executed version of the Purchase Agreement is attached hereto as Exhibit A.

**PLEASE TAKE FURTHER NOTICE** that the Successful Bidder’s purchase price consists of \$35 million in cash for the LedgerX Business, subject to certain adjustments, which together with the cash distributions from LedgerX LLC (“LedgerX”) to the Debtors contemplated by the Purchase Agreement, will result in anticipated net proceeds to the Debtors of approximately \$50 million.

**PLEASE TAKE FURTHER NOTICE** that MIH, which wholly owns M 7 Holdings and is a party to the Purchase Agreement as a guarantor for the limited purposes set for therein, has disclosed the following connections with the Debtors and the Debtors’ current or former directors or officers: (i) MIH was a stockholder of Debtor LHI from December 2016 until the time of LHI’s acquisition by West Realm Shires, Inc. (“WRS”) in October 2021; (ii) Thomas P. Gallagher, Chairman and Chief Executive Officer of MIH, and Paul Kotos, a director of MIH, served on the board of LHI until the time of LHI’s acquisition by WRS; (iii) John Smollen, an executive officer of MIH, was an investor in LHI and also served as a director of LedgerX from approximately January 2016 to December 2018; and (iv) Mark Wetjen, who served as Head of Policy and Regulatory Strategy at Debtor West Realm Shires Services Inc. from approximately November 2021 to December 2022 and currently serves as a director of LedgerX, previously served as Executive Vice President, Futures and Innovative Products of MIH and Executive Regulatory Liaison Officer, as well as Chief Executive Officer of Miami

International Futures Exchange, LLC, a wholly owned subsidiary of MIH, from January 2020 until October 19, 2021.

**PLEASE TAKE FURTHER NOTICE** that, the Debtors propose to sell, transfer and convey to the Successful Bidder any and all claims, liabilities and causes of action that the Debtors have or may have against (i) LedgerX, (ii) LedgerX's current and former directors, officers, employees, agents and the predecessors, successors and assigns of each of the foregoing (in each case, solely in their capacity as such), (iii) LedgerX's customers, creditors, vendors and other commercial counterparties (in each case, solely in their capacity as such), (iv) the Successful Bidder, MIH and the Affiliates (as defined in the Purchase Agreement) of each of the Successful Bidder and MIH and (v) certain other persons who are (A) former equityholders of LHI that are associated with the Successful Bidder (including existing or potential customers, investors in, or other commercial counterparties of the Buyer and/or its Affiliates), (B) former directors and officers of LHI and/or LedgerX, as applicable, and/or (C) former advisors of LHI (in each case, solely in their capacity as a former equityholder, director, officer and/or advisor of LHI and/or LedgerX, as applicable) (the foregoing parties collectively the "Released Parties"), in each case of the foregoing clauses (i) – (v), whether known or unknown, arising prior to, on or after the commencement of these Chapter 11 Cases, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, including, without limitation, any avoidance or recovery actions arising under the Bankruptcy Code including sections 502, 510, 542, 544, 545, 547, 548, 549, 550, 551, 552, and 553 of the Bankruptcy Code, or under any similar or related state or federal statutes or common law against such parties and any subsequent transferees, in each case, excluding any claims arising under the Purchase Agreement or the other Transaction Documents (as defined in the Purchase Agreement), on the terms and subject to the conditions set forth in the Purchase Agreement. The Released Parties do not include any directors or officers of Debtor WRS from the time of its acquisition of LHI and LedgerX.

**PLEASE TAKE FURTHER NOTICE** that, in accordance with the Bid Procedures Order, on February 6, 2023, the Debtors filed a *Notice of Proposed Assumption and Assignment of Executory Contracts or Unexpired Leases and Cure Amount* [D.I. 624] (the "Initial Assignment Notice") and served such Initial Assignment Notice on, among others, counterparties to certain contracts that the Debtors may assume and assign in connection with a sale of the LedgerX Business. As contemplated by the Purchase Agreement, the Debtors intend to assume and assign to the Successful Bidder the executory contracts listed on Section 1.6(a) of the Seller Disclosure Schedule to the Purchase Agreement (the "Assumed Contracts") unless the Successful Bidder provides written notice to LHI that it does not wish to assume any such contract up to 10 business days prior to the closing of the sale. The Initial Assignment Notice provided notice to each Counterparty to an Assumed Contract of the potential assumption and assignment of the Assumed Contract(s) of such Counterparty.

**PLEASE TAKE FURTHER NOTICE** that information provided by the Successful Bidder as evidence of its ability to comply with section 365 of the Bankruptcy Code, including information pertaining to the Successful Bidder's ability to perform under the Assumed Contracts, is set forth on Schedule A herein.

**PLEASE TAKE FURTHER NOTICE** that the Debtors will seek entry of the revised proposed form of Sale Order attached as Exhibit B approving, among other things, the

Purchase Agreement, the sale of the LedgerX Business to the Successful Bidder and the related assumption and assignment of the Assumed Contracts at a hearing (the “Sale Hearing”) scheduled for **May 4, 2023 at 1:00 p.m. (prevailing Eastern Time)** before the Honorable John T. Dorsey, United States Bankruptcy Court for the District of Delaware. The Sale Hearing may be continued, adjourned or modified by the Debtors, after consultation with the Consulting Professionals, by an announcement at a hearing before this Court and/or by filing a notice on this Court’s docket.

**PLEASE TAKE FURTHER NOTICE** that any objections to the sale of the LedgerX Business to the Successful Bidder pursuant to the Purchase Agreement, the assumption and assignment of the Assumed Contracts to the Successful Bidder in connection with such sale and/or entry of the proposed Sale Order may be raised through the Sale Hearing, including at the Sale Hearing.

**PLEASE TAKE FURTHER NOTICE** that copies of this Notice, the Motion and the Bid Procedures and the Bid Procedures Order, as well as all related exhibits, including all other documents filed with the Court, (i) free of charge from the website of the Debtors’ claims and noticing agent, Kroll Restructuring Administration (“Kroll”), at <https://restructuring.ra.kroll.com/FTX> and (ii) for a fee on the Court’s electronic docket for these Chapter 11 Cases at [www.deb.uscourts.gov](http://www.deb.uscourts.gov) (a PACER login and password are required and can be obtained through the PACER Service Center at [www.pacer.psc.uscourts.gov](http://www.pacer.psc.uscourts.gov)). Documents relating to the Sale(s), including the Motion, the Bid Procedures Order, this Notice and the Contract Notices may be accessed at <https://restructuring.ra.kroll.com/FTX>. In addition, copies of the Motion, the Bid Procedures and the Bid Procedures Order may be requested from Kroll by email at [FTXInfo@ra.kroll.com](mailto:FTXInfo@ra.kroll.com) or by phone at 888-482-0049 (US/Canada Toll-Free); 646-440-4176 (International).

Dated: April 25, 2023  
Wilmington, Delaware

**LANDIS RATH & COBB LLP**

/s/ Matthew R. Pierce

Adam G. Landis (No. 3407)  
Kimberly A. Brown (No. 5138)  
Matthew R. Pierce (No. 5946)  
919 Market Street, Suite 1800  
Wilmington, Delaware 19801  
Telephone: (302) 467-4400  
Facsimile: (302) 467-4450  
E-mail: landis@lrclaw.com  
brown@lrclaw.com  
pierce@lrclaw.com

-and-

**SULLIVAN & CROMWELL LLP**

Andrew G. Dietderich (admitted *pro hac vice*)  
James L. Bromley (admitted *pro hac vice*)  
Brian D. Glueckstein (admitted *pro hac vice*)  
Alexa J. Kranzley (admitted *pro hac vice*)  
125 Broad Street  
New York, NY 10004  
Telephone: (212) 558-4000  
Facsimile: (212) 558-3588  
E-mail: dietdericha@sullcrom.com  
bromleyj@sullcrom.com  
gluecksteinb@sullcrom.com  
kranzleya@sullcrom.com

*Counsel for the Debtors and Debtors-in-Possession*

**Schedule A**

**M 7 Holdings, LLC.** M 7 Holdings, LLC, a Delaware limited liability company, is a wholly-owned subsidiary of Miami International Holdings, Inc. (“MIH”). MIH is an established industry participant which has significant experience working and contracting with vendors, customers and counterparties similar to LedgerX LLC’s. MIH is the owner of markets including: U.S. options; U.S. equities; U.S. futures and options on futures; and international listings. Since launching its first options exchange in 2012, MIH has grown to be one of the largest global derivatives exchange operators as measured by the total number of futures and options contracts traded on exchanges as reported by the Futures Industry Association. Additional information regarding MIH is available at <https://www.miaxglobal.com/>.